GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:896
ANSWERED ON:04.03.2008
EXPERT COMMITTEE ON FOREIGN CAPITAL INVESTMENT
Chinta Mohan Dr. ;Singh Shri Suraj

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government has set up expert committees to ascertain the impact of foreign capital investment in the country;

(b) if so, the details thereof;

(c) whether these committees have submitted their reports to the Government;

(d) if so, the outcome of the reports;

(e) if not, the time by when these reports are likely to be received;

(f) whether the Government has decided not to allow foreign capital investment till the reports of the committees are received and analysed; and (g) if so, the details thereof?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF COMMERCE & INDUSTRY (SHRI ASHWANI KUMAR)

(a) to (e): A study to assess the impact of FDI in organized retailing on unorganized retail trade has been assigned to the Indian Council for Research on International Economic Relations (ICRIER). Government has also assigned a study to the National Council of Applied Economic Research (NCAER) on Growth linkages of Foreign Direct Investment (FDI) in India which would focus on the impact of FDI on rural economy. ICRIER was to submit the final report in July, 2007 but has sought change in time schedule to enable additional surveys for the study. The final report by NCAER is scheduled to be submitted by May, 2008.

(f) & (g): Government has put in place a liberal and investor-friendly policy on Foreign Direct Investment (FDI). The policy is reviewed on an ongoing basis through an inter-Ministerial consultation process taking into account concerns of the stakeholders.